

**NATIONAL CROP INSURANCE SERVICES
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NCIS Statement on Unpopular Cap Proposal

OVERLAND PARK, KAN...April 12, 2012 – Today’s popular crop insurance system has proven time and time again to be the most efficient way to deliver assistance to farmers quickly after a disaster to help them recover. Best of all, the public-private partnership was specifically designed over the past three decades to limit taxpayer risk exposure by shifting much of it to private business.

Any proposal to limit insurance protection or discourage farmer participation only shifts risk back to taxpayers and consumers and makes it more likely that farms would be unable to pick up the pieces in the aftermath of an unpredictable weather event or market collapse.

The plan recently outlined by the Government Accountability Office would adversely affect many of America’s full-time farmers. In addition, we fear it could prove particularly punishing to beginning and young farmers and other operators who are less likely to secure essential loans without adequate insurance coverage.

The fact that farmers are in the fields planting this year’s crop and there were no calls for disaster assistance following the 2011 growing season—arguably one of the worst on record from a weather standpoint—shows how well the current system is working for farmers and taxpayers. And the fact that maintaining a strong crop insurance system is most farmers’ top policy priority must not be overlooked.

Having already shouldered more than \$12 billion in funding reductions since 2008, the crop insurance infrastructure must not be weakened further. As Congress writes the next farm bill, lawmakers should do no harm to crop insurance and keep rural America strong.

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